

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA

UNSTARRED QUESTION NO. 2641

ANSWERED ON TUESDAY, AUGUST 12, 2025/ 21 SRAVANA, 1947 (SAKA)

DORMANT BANK ACCOUNT

2641 SHRI KESRIDEVSINH JHALA:

Will the Minister of FINANCE be pleased to state:

- (a) what is a dormant savings account, and when it becomes dormant or unclaimed;
- (b) what happens to the money in a dormant account after 10 years, and whether it can still be claimed;
- (c) how a dormant account could be reactivated before it reaches the 10-year stage;
- (d) what documents are required to claim funds transferred to Government through the bank; and
- (e) whether banks notify customers before transferring funds to Government, and how one can check their account status?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (e) As per inputs received from the Reserve Bank of India (RBI), the term 'dormant account' has not been defined by RBI. The RBI circular on Inoperative Accounts / Unclaimed Deposits in Banks, dated 1.1.2024, provides that a savings or current account is treated as inoperative if there are no 'customer-induced transactions' in the account for a period of over two years. Balances in such accounts which remain unclaimed for ten years, along with term deposits not claimed within ten years from the date of maturity, and other eligible credit balances as specified in the *Depositor Education and Awareness (DEA) Fund Scheme, 2014*, are classified as unclaimed deposits and are required to be transferred by banks to the DEA Fund maintained by RBI. In case of a claim from a customer/depositor whose unclaimed amount/deposit has been transferred to the DEA Fund, the concerned bank repays the amount to the customer/depositor, along with applicable interest in the case of interest-bearing deposits, and lodges a claim for refund from the Fund for the equivalent amount paid.

An inoperative account may be reactivated at any time before or after the ten-year stage by completing Know Your Customer (KYC) requirements, as prescribed in the *Master Direction – KYC Direction, 2016* (as amended from time to time). RBI instructions provide that such

reactivation facilities be made available at all bank branches, including non-home branches, and through Video-Customer Identification Process (V-CIP) where offered by the bank, and require banks to process requests for activation of inoperative accounts/unclaimed deposits within three working days of receipt of a complete application. Customers are informed at regular intervals, through letters, SMS and/or email where contact details are available, before an account becomes inoperative or deposits are transferred to the DEA Fund. RBI has launched the Centralised Web Portal – *UDGAM* (Unclaimed Deposits – Gateway to Access Information) to facilitate the public in searching unclaimed deposits across multiple banks at one place. Further, banks host details of unclaimed deposits transferred to the DEA Fund on their respective websites, updated at least on a monthly basis, and undertake periodic awareness and financial literacy campaigns to inform and assist depositors or their legal heirs in claiming such deposits.
